

**Before the Public Utilities Commission of the State of California****RECEIVED**

Order Instituting Rulemaking  
on the Commission's Own Motion  
into Monitoring Performance of  
Operations Support Systems

R. 97-10-016

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LAW OFFICES OF  
E. NICHOLAS SELBY

Order Instituting Investigation  
on the Commission's Own Motion  
into Monitoring Performance of  
Operations Support Systems

I. 97-10-017

**PACIFIC BELL'S (U 1001 C) COMMENTS  
ON THE PROPOSED INTERIM  
RULES FOR OSS PERFORMANCE MEASURES**

**PACIFIC BELL**

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Date: November 20, 1997

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## **I. INTRODUCTION**

Pursuant to this Commission's order of October 9, 1997 (hereafter, the "OSS Order") – in which the Commission instituted a rulemaking and investigation to monitor performance of Pacific Bell's ("Pacific") and GTE California Inc.'s ("GTEC") operations support systems ("OSS") – Pacific respectfully submits its comments on the proposed interim rules and on the other issues raised in that order.

Pacific is committed to providing local service to the competitive local exchange carriers ("CLECs") at parity with Pacific's own retail operations for resale services, and with a meaningful opportunity to compete with respect to Unbundled Network Elements ("UNEs"). To this end, Pacific recognizes that performance measures are necessary for the CLECs, the Federal Communications Commission ("FCC"), the Department of Justice ("DOJ") and this Commission to monitor and assess Pacific's compliance with its commitment. Pacific is already committed to complying with a comprehensive set of measures that it has presented to the DOJ for approval, and with the measures contained in numerous interconnection agreements it has entered into with other carriers. Both the measures presented to the DOJ and the interconnection agreement measures are designed to ensure that Pacific provides services to the CLECs at parity with its retail operations for resale services, and with a meaningful opportunity to compete for UNEs.

The measures presented to the DOJ have been developed through extensive discussions with the DOJ staff, and with an outside expert retained by the DOJ on these issues, Michael J. Friduss. The measures were developed taking into account the Bell Atlantic/NYNEX measurements, the DOJ's comments on Southwestern Bell's Oklahoma

filing and Ameritech's Michigan filing for interLATA approval, as well as negotiations and mediations with AT&T and MCI in Texas, and with AT&T in Missouri. These measures are comprehensive and exhaustive, providing the necessary criteria for evaluating Pacific's performance in providing the CLECs with access to the OSS functions identified in the FCC's interconnection orders: i.e., pre-ordering, ordering, provisioning, maintenance and repair, and billing. These measures accurately evaluate the quality of service that the CLECs receive from the incumbent carriers and will help ensure that the CLECs receive the level and quality of service that will allow them to compete meaningfully in the local market.

Adopting Pacific's proposed measures will also provide substantial efficiencies. Pacific and its affiliate operating companies will have a consistent set of measures across different states, greatly simplifying their reporting processes, and reducing costs by providing efficiencies of scale. Similarly, the Commission will have a convenient standard by which to compare Pacific's performance in California with the performance of Pacific's affiliates in other states.

The establishment of a new set of measures would require additional time and resources to define, develop and implement. As the Commission states in its OSS Order, measures need to be adopted without undue delay so that the Commission can begin monitoring the CLECs' access to the ILECs' OSS as soon as practicable. Pacific, likewise, does not want any delays associated with the development of performance measures. Delays will impede both Pacific's entry into the long-distance market and the development of full-scale competition in California.

Accordingly, Pacific urges the Commission to adopt its proposed measures, which are attached hereto as Appendix B.

## **II. SPECIFIC QUESTIONS AND ISSUES RAISED BY THE COMMISSION**

Pacific hereby submits the following comments on the questions and issues raised at pages 10 through 12 of the Commission's OSS order. For the convenience of the reader, Pacific reprints in italics each issue raised by the Commission.

***Issue No. 1:** Comment on the specific proposals outlined in Appendices A and B. In addition, as to Appendix B, provide comments on the appropriateness of the specific measures listed. The Commission intends to adopt an interim set of performance measures on an expedited basis. As mentioned above, the Commission is considering a two-tiered reporting system, where a more detailed disclosure will be required if a certain level of performance is not met. Please comment, for each proposed measurement, what the cut-off or "trigger" performance standard should be. Each proposed performance minimum should be fully supported.*

### **Pacific's Comments:**

In Appendix A hereto, Pacific comments on the rules set forth in Appendix A of the OSS Order. Similarly, Appendix B hereto contains Pacific's response to the proposed measures set forth in Appendix B of the OSS Order. For the reasons stated above, Pacific strongly urges the Commission to adopt Pacific's proposed measures, as set forth in Appendix B hereto.

With respect to the "two-tiered" reporting approach suggested by the Commission, Pacific acknowledges the simplicity, and thus the benefit, of such an approach, but it has its drawbacks. The CLECs are likely to contend that they are each entitled to parity, *on an individual basis*, with respect to Pacific and with respect to the other CLECs, and that

industry-wide reporting may create the impression that all carriers are receiving service at parity, when in fact they may not be. To address this concern, Pacific proposes reporting both on an aggregate basis, and on an individual basis, as described by the Commission in Appendix A, section 1.

***Issue No. 2: For the measures described in Appendix B, ILECs should indicate which measures are not currently being utilized for their retail operations and would cause significant costs to implement. Should costs be booked into the implementation cost memorandum account established in the Local Competition proceeding? If these should not be treated as implementation costs, what is the appropriate cost recovery mechanism?***

**Pacific's Comments:**

Pacific believes that all carriers should be responsible for ensuring that local competition exists in California. In this regard, all carriers should be required, to some extent, to measure their performance to ensure that their operations are functioning at the appropriate levels. However, Pacific should not be required to monitor and track multiple layers of performance measures without cost recovery. Accordingly, should the Commission require Pacific to track yet another layer of measures through this docket, Pacific requests authorization to establish a memorandum account to track the additional costs associated with those measures, and to recover those costs through a specific rate charge. Again, the redundancy and inefficiency of having multiple layers of performance measures can be avoided if the Commission adopts Pacific's proposed measures.

**Issue No. 3:** *Facilities-based competitors may have additional measurements to propose relating to update of 911 databases, directory assistance databases, etc. Parties are encouraged to propose additional measures, using the format in Appendix B.*

**Pacific's Comments:**

For the reasons stated above, Pacific urges the Commission to adopt its proposed performance measures, attached hereto as Appendix B. Pacific does not propose any additional performance measures for facilities-based carriers. Pacific will address, in its response comments, any additional measures proposed by or on behalf of facilities-based carriers.


**Issue No. 4:** *For each of the performance measures listed in Appendix B, parties should provide specific target ILEC performance goals for each item measured. Each proposed performance standard must be fully supported. The Commission anticipates that it will take longer to develop and adopt appropriate performance standards than to develop the list of performance measures. Parties should explain the procedural steps the Commission should go through to develop both performance measurements and standards, e.g., additional written comments, evidentiary hearings, workshops. Be specific as to how much time would be needed for hearings or workshops, and explain which issues can best be addressed through a particular procedural vehicle.*

**Pacific's Comments:**


Pacific strongly opposes the establishment of performance standards where an analogous retail service exists. The Telecommunications Act of 1996 (the "Act"), and the FCC rules promulgated thereunder, require parity. (See, e.g., 47 U.S.C. § 251(c); 47 C.F.R. §§ 51.311, 51.603.) The CLECs are entitled to receive service from Pacific at a level of quality equal to that which Pacific achieves for itself in providing equivalent services to its end users. The CLECs are not entitled to a guaranteed level of service that is superior to what Pacific offers itself for retail. (See, *Iowa Utils. Bd. v. FCC*, 120 F.2d 753, 812 (8<sup>th</sup> Cir. 1997).)

The performance measures set forth in Appendix B hereto rely on *parity* as the performance criteria where an analogous retail service exists. In cases where no analogous service exists, performance standards are appropriate, as outlined in Appendix B. In other words, Pacific's proposed measures are intended to ensure that Pacific's performance in providing service to the CLECs is equal in quality to that which Pacific achieves for itself. That is what the Act requires.

Performance standards, where analogous services exist, create artificial goals which may have no basis in parity. Performance standards may require Pacific to provide services to the CLECs *better in quality* than that which Pacific provides for itself. For example, if a performance standard is set for provisioning certain OSS functions to the CLECs and Pacific fails to meet that standard, Pacific could be deemed in violation of that standard, *even where Pacific is providing exactly the same level of service to itself.* That result is not parity, and it is contrary to the letter and spirit of the Act.



Further, the Commission should reject any requests for hearings or workshops on performance standards. Hearings and workshops will divert Pacific's limited resources away from its efforts to provide reliable and efficient services to the CLECs, and will duplicate unnecessarily substantial efforts that have been made by the parties to date to identify the necessary measurements required to evaluate Pacific's level of performance. Pacific's proposed set of measures was developed in concert with the DOJ staff, and is the basis for agreements reached in negotiations and mediations with AT&T and MCI in Texas and Missouri. Thus, additional workshops to define performance measurements would be redundant, contrary to both the interests of administrative economy and the





furtherance of local competition. Nothing justifies duplicating the efforts that have already been undertaken, or the associated delays in developing new measures.

***Issue No. 5: Should the Commission mandate particular OSS interfaces? Some interface types include Electronic Data Interface (EDI), a Graphic User Interface (GUI)-based system, direct access to ILEC databases (e.g., Pacific's SORD system), Internet access, NDM or RMI 5.9, and fax. Which of those listed will now, or in the future, meet your company's needs and why? Which would you not use? Describe other interfaces not listed that your company would use.***

**Pacific's Comments:**

The Commission should *not* mandate the implementation of particular OSS interfaces. First, nothing in the Act suggests the Commission should become involved at that level. Second, the parties themselves, through their direct interactions and negotiations, are best able to determine which interface they should use.

Pacific already makes various interface options available to the CLECs, following industry guidelines to develop and define interfaces where reasonably practicable. Pacific has invested significant resources in complying with the industry guidelines, and, by offering various interface options, has exceeded its requirements under the Act. Thus, adding another layer of regulatory oversight to the process at this point is far more likely to hinder OSS progress than to advance it.

Moreover, the Commission should not become involved in micro-managing the development of the ILECs' OSS interfaces. (See, *Systems Analysis & Integration, Inc. v. So. Cal. Edison*, D-96-12-023, p. 16, stating that Commission should exercise authority to broadly regulate utilities, but should not micro-manage and become involved in the utilities' day-to-day decision-making processes.) Such regulatory intervention will lead to drawn out proceedings to resolve issues that should be handled privately by the parties.

The Act certainly did not contemplate regulatory oversight at a micro-level. It contemplated just the opposite; that the parties would enter into agreements approved by the Commission, and that those agreements, once approved, would provide the details necessary for developing the interfaces that provide the CLECs with nondiscriminatory access to the ILECs' systems. The Commission should limit its role to that which was contemplated by the Act, i.e., determining *whether* Pacific is complying with its obligations under the Act, and not micro-managing *how* Pacific achieves compliance.

**Issue No. 6:** *If the CPUC mandated access to ILEC legacy systems, what are some of the issues involved? How has this worked in other states where competitors have been allowed access to legacy systems? Is there a role or need for the Commission to be involved in legacy system upgrades? Do the ILECs have any specific issues relating to access to their legacy systems?*

**Pacific's Comments:**

The Commission should *not* mandate direct access to the ILECs' legacy systems, nor should it mandate any upgrades to those systems. To our knowledge, no other state commission has mandated direct access to any ILEC's legacy systems. Nor does the Act require the ILECs to provide CLECs with direct access to the ILECs' legacy systems. Even the FCC has ruled that the CLECs are entitled only to equivalent access to the "functions" and "processes" performed by the legacy systems. (*Application of Ameritech Michigan to Provide In-Region, InterLATA Services*, CC Docket 97-137, *Memorandum and Opinion*, FCC 97-298, released August 19, 1997, paras. 129-137.) They are not entitled as a matter of right to direct access to the legacy systems.

Moreover, Pacific has serious, practical concerns with providing the CLECs direct access to its legacy systems. Providing direct access requires the development of security

"firewalls" to prevent one CLEC from accessing proprietary customer information of another CLEC, or Pacific. Without these firewalls, each CLEC's proprietary information is at the mercy of another CLEC. Such firewalls are complex and require significant amounts of time and resources to develop. In our view, the expense associated with providing access to the ILECs' legacy systems generally does not outweigh the benefits.

Pacific also is not aware of any state commission decision requiring any ILEC to *upgrade* its legacy systems. In fact, the notion of requiring ILECs to upgrade their legacy systems is contrary to the principle of parity. As the Eight Circuit Court of Appeals has made clear, the Act does not entitle the CLECs to "receive *superior* quality access to network elements"; they are only entitled to access to the *existing* network elements of equal quality. (*See, Iowa Utils. Bd. v. FCC*, 120 F.2d 753, 812 (8<sup>th</sup> Cir. 1997).) Simply stated, nothing in the Act requires Pacific to upgrade its legacy systems.

***Issue No. 7: Under TA96, GTEC is not required to comply with the 14-point checklist to be granted interLATA relief. Should the Commission hold GTEC to the same measures of performance as Pacific? Are some of the proposed measures in Appendix B specific to determining 271 compliance and therefore not appropriate for GTEC? If so, specify which measures are not appropriate for GTEC and explain why.***

**Pacific's Comments:**

While GTEC is not subject to the 271 requirements that are applicable only to the Bell Operating Companies, it is nonetheless subject to the same 251 requirements as Pacific, which require the ILECs to provide access to their OSS on a nondiscriminatory basis. Accordingly, GTEC should be subject to the same measures as Pacific.

***Issue No. 8: The capacity of the ILECs' order processing facilities should be measured on a routine basis. We propose that competitive carriers and the Commission be given information from the ILECs on a monthly basis; this information should show the daily capacity of the ILECs' order processing system. Those monthly reports should also contain a six-month forecast of the daily capacity of the ordering/provisioning system. In addition, the Commission should receive monthly information on the number of orders actually processed each day. Parties should comment on whether there are competitive reasons why data on actual number of orders processed should not be shared with CLCs.***

**Pacific's Comments:**

As the Commission stated in its OSS Order, the "Commission is most concerned" with Pacific's capacity to process the service orders received from the CLECs. (OSS Order, p. 8.) Pacific's current capacity is well above the number of orders received from the CLECs. In fact, Pacific has had excess capacity for months. This situation illustrates a critical point: if the Commission is truly interested in monitoring the pace at which competition is growing, the Commission must examine the CLECs' activities as well.

The Commission should ascertain answers to the following questions: Are the CLECs taking aggressive steps to enter the local market? If so, are the CLECs targeting all customers, or only the more lucrative business customers?<sup>1</sup> Are the CLECs reducing their high error rates so that orders will flow more efficiently through the process?<sup>2</sup> Are the CLECs investing sufficient resources to develop their own systems so that they can fully utilize the ILECs' available OSS interfaces?

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<sup>1</sup> As Pacific has stated in other contexts, the CLECs have a strong incentive to target Pacific's more lucrative business customers, while focusing little attention on the residential market. The reason this strategy is attractive to the CLECs is that most of Pacific's revenue is concentrated in a small portion of its more lucrative business customers. By focusing on these customers, the CLECs can acquire a large portion of Pacific's revenue, while claiming that local competition has not developed. This situation will be exacerbated by MCI/WorldCom's recent announcement that their merger will lead to a stronger focus on business customers, who are WorldCom's sole customers: "We may have to go slower on local residential service." (*San Francisco Chronicle*, November 11, 1997, p. C7, (quoting Tim Price, President of MCI).)

<sup>2</sup> Each time Pacific needs to rework an order because of a CLEC error, it is multiplying the number of orders that Pacific is required to handle in order to meet its commitments, and thereby straining Pacific's capacity and resources

Moreover, the CLECs should be required to provide timely and accurate forecasts to Pacific on a regular basis. Pacific's ability to process orders from the CLECs on a timely basis is greatly dependent on receiving timely and accurate forecasts from the CLECs. (See discussion below regarding CLEC forecasts and performance measures.)

***Issue No. 2: What penalties are appropriate for noncompliance? Waivers of nonrecurring charges (NRCs) for those elements or services ordered? Refunds of 10% (or some other percentage) of all NRCs paid by a particular carrier in a particular time frame? Should the Commission assess penalties under Public Utilities Code Section 2107? In what circumstances would it be appropriate to assess such penalties. Should the penalty be assessed each time an ILEC does not meet a particular standard or should the penalty be assessed based on a pattern, e.g., three months of not meeting a particular standard?***

**Pacific's Comments:**

Pacific proposes the following penalties, which have been agreed upon by AT&T and MCI in the Texas mediation and by AT&T in the Missouri arbitration, with Pacific's affiliate Southwestern Bell:

- Where monthly performance by Pacific for a CLEC on a performance measurement is within one standard deviation of the Performance Criteria specified in Appendix B, no Specified Performance Breach occurs with respect to that measurement.
- Pacific performance on a single measurement for a CLEC greater than one standard deviation and less than three standard deviations below the Performance Criteria will constitute a Specified Performance Breach if the same measure remains in this range for two consecutive months, and will result in liquidated damages up to \$25,000 for each measurement which remains in the above stated range for two months; Conversely, if for two consecutive months, the performance to CLEC exceeds that provided to Pacific (within one to three standard deviations), Pacific will accrue a performance credit for the service category which may be used to offset future performance penalties incurred in the same service category.

- Pacific performance for a CLEC on any Performance Measurement in a single month greater than three standard deviations below the Performance Criteria will constitute a Specified Performance Breach and will result in liquidated damages up to \$75,000 payable for each such month; Conversely, if in a single month, the performance provided to CLEC exceeds that provided to Pacific (by greater than three standard deviations), Pacific will accrue a performance credit for the service category which may be used to offset future performance penalties incurred in the same service category.
- The four service categories within which performance credits may be used to offset the penalties are Pre-Ordering, Ordering/Provisioning, Maintenance/Repair, and General.

The amount of the liquidated penalty should bear some relation to the number of orders passed by a particular CLEC (hence, the "up to" qualification). It would be unfair and illogical to require Pacific to pay \$75,000 in liquidated damages to the larger CLECs, and to pay that same amount to a carrier that sends only a few orders per day.

Accordingly, Pacific proposes the following formula: For a Specified Performance Breach that is greater than one and less than three standard deviations, the penalty amount will be \$0.50 multiplied by the number of orders submitted by the CLEC over the relevant two-month period, but not to exceed \$25,000. (For example, if a CLEC sends 1,000 orders per day over a two-month period that has 45 business days, the penalty amount would be \$22,500.) For a Specified Performance Breach that is greater than three standard deviations, the penalty amount will be \$3.00 multiplied by the number of orders submitted by the CLEC over the relevant one-month period, but not to exceed \$75,000. (For example, if a CLEC sends 1,000 orders per day over a one-month period having 22 business days, the penalty amount would be \$66,000.)

Liquidated damages for a Specified Performance Breach, as defined above, will apply only to the following Specified Activities (the number in parentheses corresponds to the performance measurements in Appendix B):

**I. PRE-ORDERING:**

- (1) Average response time for OSS Pre-Order Interfaces

**II. ORDERING AND PROVISIONING:**

**A. Completions:**

*Resale POTS:*

- (17) Average installation interval  
(19) Percent Pacific Caused Missed Due Dates

*Resale Specials (excluding access orders):*

- (27) Average installation interval  
(29) Percent Pacific Caused Missed Due Dates  
(Completions, cont'd.)

*UNEs:*

- (35) Average installation interval  
(37) Percent Pacific Caused Missed Due Dates

**B. Order Accuracy:**

- (21) Percent POTS Installation Reports Within 30 Days  
(30) Percent Specials Installation Reports Within 30 Days  
(38) Percent UNE Installation Reports Within 30 Days

**C. Order Status:**

- (3) Percent Firm Order Completions received within "x" hours  
(5) Percent Mechanized Rejects Returned within 1 hour of the start of the EDI/LASR batch process

**D. Held Orders:**

- (20) POTS Percent Company Missed Due Dates Due to Lack of Facilities  
(31) Specials Percent Company Missed Due Dates Due to Lack of Facilities  
(39) UNEs Percent Company Missed Due Dates Due to Lack of Facilities

E. Flow Through:

- (8) Percent Flow Through

**III. MAINTENANCE/REPAIR**

A. Time to Restore:

*Resale POTS:*

- (24) Receipt to Clear Duration  
(25) Percent Out of Service < 24 Hours

*Resale Specials (excluding access orders):*

- (32) Receipt to Clear Duration

*UNEs:*

- (42) Receipt to Clear Duration  
(43) Percent Out of Service < 24 Hours

B. Percent Repeat Reports:

- (26) Resale POTS  
(33) Resale Specials (excluding access orders)  
(44) UNEs

C. Trouble Report Rate:

- (22) Resale POTS  
(34) Resale Specials (excluding access orders)  
(40) UNEs

D. Percent Missed Repair Commitments:

- (23) Resale POTS  
(41) UNEs

**IV. GENERAL**

A. Billing

- (11) Accuracy of Usage Delivery

Moreover, the Commission should monitor certain performance activities of the CLECs that substantially affect Pacific's ability to comply with its performance measures. For example, Pacific cannot reasonably be expected to size its systems and human resources adequately to meet large, unexpected increases in demand, or dramatic shifts in



product mix or product complexity. Significant amounts of capital investments are at risk based on the CLECs forecasts. When forecasted orders do not materialize, a tremendous amount of invested capital is stranded. Conversely, when actual orders greatly exceed forecasted demand, the likelihood is high that there will be inadequate facilities and resources to meet CLEC demands.

Accordingly, Pacific should be excused from all ordering and provisioning measurements when the CLECs' "Monthly" and "Average Business Day" forecasts exceed the permissible range set forth in the CLEC forecast performance measure contained in Appendix C, attached hereto. When the CLECs underforecast their orders below the permissible range set forth in the CLEC forecast performance measure, the CLECs should be required to pay a liquidated penalty of \$5 for every order by which they underforecast their estimated orders. For example, if a CLEC forecasts 1,000 orders per day in a month having 22 business days, and it submits only 500 orders per day, the penalty would be \$55,000 (11,000 orders x \$5/order). That penalty amount will not even approach the amount of stranded capital investment that Pacific loses when CLECs underforecast their orders.

In addition, Appendix C hereto contains other performance measures that should apply to all CLECs because the identified activities directly affect Pacific's performance levels. For example, the unavailability of CLEC system interfaces substantially impairs Pacific's ability to process return transactions on a timely basis and meet its commitments. Rehandling the same CLEC orders (e.g., CLEC Service Request Rework exceeding 10%) prevents Pacific from processing primary orders, and it causes forecast levels to be understated (in other words, because Pacific is handling the same order more than once, a single forecasted order may generate twice as many work orders, or more, after all the necessary rework is completed). Unavailability of CLEC representatives (i.e., CLEC Average Speed of Answer substantially exceeding 20 seconds) prevents Pacific from receiving the necessary assistance to process orders or to provide the appropriate status on service requests.

Although, generally, none of these other activities have the potential of affecting Pacific's performance as much as inaccurate forecasts do, Pacific should be permitted to demonstrate that significant failures by the CLECs in these other areas affect Pacific's own performance adversely, thus excusing Pacific from penalties where appropriate.

Finally, the following conditions and limitations should apply to the performance penalties:

- Liability for penalties should not be cumulative to, and should supersede, any performance penalties contained in interconnection agreements with CLECs.
- Penalties should be excused whenever the failure to meet any of the above-noted performance measures is caused in whole or in part by: (1) a failure by a CLEC to perform its obligations under its interconnection agreement with Pacific; (2) any delay or failure to act by an end user, agent or subcontractor of Pacific or the relevant CLEC; (3) a force majeure event; (4) for Out of Service Repairs for unbundled loops, where Pacific or the CLEC lacks automatic testing capability; or (5) for INP, where memory limitations in a switch cannot accommodate the request. If performance is prevented by one of these events, then the affected activity will be excluded from the calculation of the relevant performance measure. If performance is delayed by one of these events, then the applicable time frame for completing the affected activity will be extended by the duration of the delay.

#### **IV. CONCLUSION**

Pacific is committed to maintaining parity in providing access to its OSS, and recognizes that measures are necessary to monitor and assess that commitment.

However, the Commission should not duplicate the substantial effort that has been invested in developing performance measures with the DOJ, nor should it add undue burden or confusion to Pacific's monitoring and reporting obligations by adding yet another layer of performance measures.

Most important, the Commission should not allow the need for measures to create a potential delay for bringing full-scale competition to California end-user customers. The measurements necessary to provide the CLECs with a meaningful opportunity to compete have been identified in consultations with the DOJ staff and in negotiations with CLECs, so there is no need for additional proceedings before this Commission. Pacific's measures should be adopted, so that parties and the Commission can channel their resources in a manner more productive than creating another layer of regulation.

Respectfully submitted,

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Date: November 20, 1997

## **Pacific Bell Operational Support Systems Issues**

- Pacific Bell claims it is not required to provide Operational Support System (OSS) access, response time and general system parity between itself and Competitive Local Carriers (CLCs). Further more, Pacific Bell is proposing "new" OSS support structures which it claims will better service CLCs, yet, Pacific Bell has not tested the new systems with all CLCs, nor trained system users, and certainly the new systems have not been tested in a real-time environment using the daily loads and demands put upon such systems by CLCs. More over, Pacific Bell has yet to identify the costs associated with the "new" OSS systems nor has Pacific Bell divulged the price CLCs will be charged for access and use of the "new" sytems. Additionally, one could deduce from the attached documentation that Pacific Bell is building "new" OSS systems that will better support the needs of local exchange resellers over facilities-based providers.

Documentation: Tab 2 - California Public Utilities Commission Order Instituting Investigation on the Commission's Own Motion into Monitoring Performance of Operations Support Systems - R.97-10-016/I.97-10-017 - Pacific Bell's Comments on the Proposed Interim Rules for OSS Performance Measures.

Documentation: Tab 3 - California Public Utilities Commission Order Instituting Investigation on the Commission's Own Motion into Monitoring Performance of Operations Support Systems - R.97-10-016/I.97-10-017 - Pacific Bell's Reply Comments on the Proposed Interim Rules for OSS Performance Measures.

## **Summary References**

- See page 10: Pacific Bell's Objections.
- See page 12: Pacific Bell Does Not Offer Cost Recovery Information.
- See page 15: Pacific Bell's Objection to Standards.
- See page 16: Pacific Bell's Objection to Direct Access to Legacy Systems.

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Pacific Bell ("Pacific") hereby submits its reply comments in response to the opening comments submitted on November 20, 1997. The issues are addressed in the same order in which they appeared in the Commission's order of October 9, 1997.

### **Issue 1: Comments on Appendix A and B**

#### **Appendix A Issues**

##### ***1. Performance Monitoring Reports***

##### ***a-b. Level of Disaggregation***

As stated in its opening comments, Pacific agrees that the proposed two-tier reporting approach suggested by the Commission may mask relevant information concerning the level of performance provided by Pacific to individual CLECs. Accordingly, Pacific proposes measuring its performance for each CLEC on an individual basis, where practicable. Nearly all proposed measures suggested by Pacific are disaggregated by individual CLEC. There are however certain measures, very limited in number, such as "average response time for OSS pre-order interfaces," where Pacific cannot reasonably track and report at less than an aggregate level. (See, Appendix B Issues, below.)

Pacific also disaggregates most of its measures by customer type (*e.g.*, residential or business) and product type (*e.g.*, resale, UNE, specials). In some instances, the level of disaggregation is very detailed. (See, *e.g.*, Pacific's proposed measures 27-44.) In other instances, it is not meaningful or practicable for Pacific to disaggregate by customer or product type, or to the level suggested by certain CLECs. For example, certain orders can only be distinguished by whether they require fieldwork or not, or whether they require dispatching or not. Nonetheless, this is the more relevant break down, since performance for most functions depends more on whether fieldwork or dispatching is required, than on the particular activity type that is involved.

##### ***c. Confidentiality***

Pacific agrees that the CLECs' individual carrier information should not be used by the ILECs for improper purposes. Section 222(b) of the Telecommunications Act expressly prohibits improper use of confidential carrier information by an ILEC, and



Pacific has policies and procedures in place to prevent any such misuse. However, Pacific strongly opposes making its internal policies and procedures available for public comment by the CLECs. Pacific is willing to share its policies and procedures privately with the Commission, and is receptive to any comments or suggestions that the Commission may have for improving such practices through reasonable means.

*d. Timing of Reports*

Pacific can provide performance measure reports within 15 business days after the close of the measuring cycle (i.e., end of the month). It takes certain systems five days to close and capture all the relevant information. It generally takes up to five days to print all the relevant reports, and up to five days to compile them for the CLECs. Pacific cannot reasonably prepare and deliver reports within 5 days, as suggested by one CLEC.

*e-g. Maintenance of Data and Auditing Rights*

Certain CLECs have suggested that the auditing rights of the CLECs, as set forth in their interconnection agreements, should not be affected by this proceeding. (See, e.g., AT&T's Comments, p. 15, MCI's Comments, p. 26.) Presumably, these carriers are concerned about having their mediated or bargained-for rights upset by this proceeding. However, that is precisely what they are advocating with respect to the performance measures that they agreed to with Pacific. The Commission should take a consistent approach on this issue. The ILECs are surrendering substantial mediated or bargained-for rights by having additional performance measurements imposed in this proceeding. Pacific suggests that the fair and reasonable approach would be for the Commission to conclude that the rights and obligations created in this proceeding supersede any rights or obligations contained in any interconnection agreements that deal with the same subject.

*2. Provisioning of Interfaces*

*a. Industry Guidelines*

In its OSS Order, the Commission proposed reasonable timeframes for the ILECs to implement electronic interfaces that incorporate industry-adopted guidelines. The CLECs have asked the Commission to dramatically shorten those timeframes. (See, e.g., AT&T's Comments, p. 15.) Ironically, one of the CLECs demanding shorter timeframes, AT&T, has yet to test Pacific's electronic interface for maintenance and repair, even